

Internal Revenue Service
memorandum

date:

to: District Counsel Jacksonville
Attn: Howard Levine

from:

Assistant Chief Counsel (Income Tax & Accounting)

subject: Form 8300 - Reporting Requirements for County Jail

This is in response to your memorandum of August 20, 1990 concerning whether a municipal official receiving cash in excess of \$10,000 in bail or bond money is subject to the information reporting requirement set forth in section 6050I of the Internal Revenue Code of 1986.

Section 6050I(a) of the Code provides that any person who is engaged in a trade or business and who, in the course of such trade or business, receives more than \$10,000 in cash in one transaction (or two or more related transactions) is required to make an information return showing the name, address and taxpayer identification number of the person from whom the cash was received, the amount of cash received, the date and nature of the transaction, and such other information as the Secretary may provide. The return is made on Form 8300 and must be filed within 15 days of the date the cash is received. Sections 1.6050I-1(e)(2) and 1.6050I-1T(e)(1) of the Income Tax Regulations.

We agree that section 6050I of the Code is sufficiently broad to cover cash payments received by governmental entities. We feel, however, that such an interpretation may not be readily apparent to governmental agencies from a reading of the statute and the current regulations. Therefore, we are considering an amendment to the regulations which would make clear this requirement.

The person to contact for further information concerning this matter is Philip Scott (FTS.566-3826).

(signed) Vincent G. Cardella

By:

Vincent G. Cardella,
Senior Technician Reviewer,
Branch 6

008601